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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 16, 2014

Paul Rankine
The Oil Mining Company
TOMCO Energy PLC 2nd Floor
Stanmore House 29-30 St. James
London SW1A 1HB
United Kingdom

Subject: Second Review of Notice of Intention to Commence Large Mining Operations, The Oil Mining Company, Holliday Block Mine, M/047/0120, Task #6103, Uintah County, Utah

Dear Mr. Rankine:

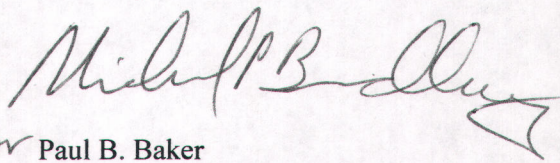
The Division of Oil, Gas and Mining is in receipt of your responses received June 11, 2014, to the initial review of the referenced Notice of Intention to Commence Large Mining Operations (Notice). The additional attached comments will need to be addressed before tentative approval may be granted.

Please address those items requested in the attached technical review by sending replacement pages for the Notice using redline and strikeout text. The Division may have further comments concerning the responses.

After the notice is determined technically complete, the Division will ask that you submit two clean copies of the complete and corrected plan. Upon final approval, both copies will be stamped approved and one copy returned.

The Division will suspend further review of the Notice of Intention until receiving your response to this review. Questions about the review should be addressed to April Abate (aa) at 801-538-5214, Leslie Heppler (lah) at 801-538-5257, or Wayne Western (whw) at 801-538-5263. Thank you for your cooperation.

Sincerely,


for Paul B. Baker
Minerals Program Manager

PBB: aa: eb
Attachment: Review
cc: John Blake, SITLA (jblake@utah.gov)
Marit Sawyer (msawyer@lowhamwalsh.com)
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**SECOND REVIEW OF NOTICE OF INTENTION
TO COMMENCE LARGE MINING OPERATIONS**

**THE OIL MINING COMPANY
Holliday Block
M/047/0120
July 16, 2014**

R647-4-105 - Maps, Drawings & Photographs

General Map Comments

Comment #	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
1	Figure 1.B Append. D	The map shows a water management scenario for reclamation at year 5, but, the topsoil pile, facilities area, ditches, and collection pond are still shown on the map.	aa	
2	Figure 2	<p>Previous Comment #6</p> <p>The area where the facilities are located is now clearly shown on Figure 2, but the actual facilities are not apparent. The number of storage tanks, office, and process and maintenance facilities need to be shown. At permit stage, the Division realizes the facilities might change in the future, but an estimate needs to be given at this time for bonding purposes. The permit can be amended for future changes.</p> <p>Figure 2 has been modified to depict abandoned oil and gas wells. According to the Division's oil and gas records database, there are two plugged oil and gas wells located in the northwest quarter of the southeast quarter of Section 14. They are shown as 11 and 12 on Figure 2. Mining through an area where two plugged oil and gas wells are located could present both a safety and environmental hazard. These wells should be avoided if they are encountered. Please address this issue in the plan and present an avoidance or mitigation plan if these two wells are encountered. Based on the Life of Mine maps, this area would be expected to be disturbed at approximately Year 6.</p>	<p>lah</p> <p>aa</p>	
3	General	<p>Original Comment #10</p> <p>Drawings submitted are generic and don't include specifics on crossing. Please provide locations in the text where the operator commits to properly sizing for drainage specifics. Include an inset on the plan view to show typical location of detail.</p>	lah	
4	Figure	Original Comment #13	aa	

	24	Comment was not addressed. The Division would like to see the watershed boundaries within the project area as well as outside the project area. Please extend the boundaries so they are shown within the project area.		
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105.3 - Drawings or Cross Sections (slopes, roads, pads, etc.)

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
5	Figure 22	Original Comment #23 Thank you for adding strike and dip to the legend. Please add the strike and dip to the map.	lah	
6	Figure 22.1	Original Comment #24 Thank you for adding a fence diagram. Please change title to "Fence diagram". Change typo "exageration". Wavy and Curly tuff is noted in Stratigraphy legend but not shown on the actual fence diagram. Please either delete on the legend or add a footnote that the units are too thin to show up on the fence diagram.	lah	

R647-4-106 - Operation Plan

106.2 - Type of operations conducted, mining method, onsite processing, deleterious materials

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
7	page 11, para 3 Now Page 12, and 13	Original Comment #27 As is now written "...and emulsion material ...". If there is no ground water, no emulsion will be needed. Please rewrite to reflect actual conditions expected.	lah	
8	page 12, para 4	Original Comment #28 Please specify actual factor of safety that will be designed to.	lah	

106.8 - Depth to groundwater, extent of overburden, geology

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
9	Page 33	Original Comment #41	lah	

	Page 34-35	Please include verbiage from TOMCO responses in geology text: "The birds nest aquifer has been eroded off at the project area."		
10	Page 35	As written: "...geological cross section...". Please change to "...geological fence diagram...".	lah	
11	Omission	The Division requests to see the raw data from the packer testing activities	aa	

R647-4-109 - Impact Assessment

109.1 - Impacts to surface & groundwater systems

Comment #	Sheet/Page / Map/Table #	Comments	Initials	Review Action
12	Figure 2 of storm water report	Original Comment #48 The slope angle is still incorrect as text note indicates 53 degrees. Diagram notes 0.36H:1V. Drawing indicates another angle. Please correct whichever is incorrect, to be consistent. Thank you for noting slope angle as temporary.	lah	
13	Figure 4 of Storm water report	The Division recommends using consistent units. In some places diagrams are labeled in degrees and in other they are labeled as horizontal to vertical.	lah	

109.4 - Slope stability, erosion control, air quality, safety

Comment #	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
14		Previous Comment #56 The Division requests that the Notice include a copy of the Air Quality Approval Order or comparable document when it is available.	aa	

109.5 - Actions to mitigate any impacts

Comment #	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
15	Figure 19	Original Comment #57	lah	

		Please include a longer cross section, which includes the outer banks and surrounding area. More detail will be needed on an armored channel versus turf reinforcement. Calculations might be required depending upon the proposed system.		
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R647-4-113 – Surety

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
16	Bond Summary Sheet	The current escalation rate should be 1.9% per year instead of 0.05%.	whw	